

**REMARKS**

Applicant thanks the Examiner for correcting the time to reply to the Office Action to correspond with the date of mailing of the Office Action rather than the date indicated on the title page.

Claims 1-20 remain pending in the application. Applicant respectfully requests reconsideration in light of the amendments to the claims and the remarks provided below.

The present invention provides a compact modular token dispensing device that receives and discharges banknotes. The modules are also compactly designed and stacked to provide an ergonomic and space efficient device when placed next to gaming machines. Space efficiency is important in densely packed gaming parlors or casinos because inefficiently used space results in lost opportunity for revenue. Ergonomic efficiency is also important to increase the gamer's play rate increasing the parlor or casino operator's revenue.

Incremental improvements in space efficiency and ergonomic efficiency often translate into increased profit margins for operators. This makes operators willing to pay substantial amounts for incremental improvements making the field highly competitive and crowded.

Our present invention stores banknotes in a vertical and slanted configuration to maximize space efficiency. The slanted configuration provides a token dispenser with a smaller width and depth than a conventional dispenser. To a gaming parlor or casino, this means less space is needed for token dispensers providing more space for revenue generating gaming machines.

The invention also has a banknote length sensor configured along an inverted U shaped passage. The U-shape feature allows for a token dispenser with a smaller width and depth than a

conventional token dispenser that uses a banknote length sensor embedded in a straight passageway.

The Office Action rejected Claim 1 as being un-patentable over *Sagady* (U.S. Pat. No. 6,155,398) in view of *Matuura et al* (U.S. Pat. No. 4,795,889) and further in view of *Arimoto* (U.S. Pat. No. 4,365,700). Applicant respectfully traverses.

("[I]n considering more than one reference, the question always is: does such art suggest doing the thing the [inventor] did.") According to the "motivation-suggesting-teaching" test, a court must ask "whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor, would have been led to make the combination recited in the claims." *Alza Corporation v. Mylan Laboratories, Inc. et al*, 464 F.3d 1286, 1290 (Fed. Cir. 2006)

(underline added)

*Sagady's* disclosure is directed to a device for detecting coin jams and fraudulent tokens in a vending machine, (*Sagady*, Column 1, Lines 5-7). The vending machine receives coins through a slot 50. The coin travels along a path 220 and passed two sensors 225, 227, (*Sagady*, Column 3, Lines 34-36). The sensors' 225, 227 signals are fed to a processor that determines whether the coin is acceptable and then commands surfaces to direct the coin to a coin separator 205 if the coin is acceptable and to a reject chute 240 if it is not, (*Sagady*, Column 2, Lines 45-55). *Sagady's* disclosure, however, is silent regarding banknote sensors in an inverted U-shaped passage and banknotes stacked in an inclined position to provide a compact space efficient and ergonomic token dispenser.

*Matuura's* disclosure is directed toward a method of automatically refilling bills in an automatic teller machine, (*Matuura*, Column 1, Lines 6-12). According to the method a customer sensor is used to determine if a customer is presently using an automatic teller

machine, (*Matuura*, Column 1, Lines 51-54). If the customer sensor senses a customer, the bill refilling operation is stopped allowing the customer to use the machine, (Column 1, Lines 53-54). *Matuura*'s like *Sagady* is silent regarding banknote sensors in an inverted U-shaped passage and banknotes stacked in an inclined position to provide a compact space efficient and ergonomic token dispenser.

*Arimoto*'s disclosure is directed toward a money receiving and dispensing system, (*Arimoto*, Column 1, Lines 6-8). The money receiving system allows a customer to deposit money by entering a secret number and feeding notes into a note inlet, (*Artimoto*, Column 3, Lines 32-35). *Arimoto*'s device also allows a customer to withdraw money by entering a secret number and an amount of money to withdraw, (*Artimoto*, Column 3, Lines 53-60). *Arimoto*'s disclosure like *Matuura*'s and *Sagady*'s is silent regarding banknote length sensors in an inverted U shaped passageway.

Claims 1 and 3 recite "a banknote transporting unit for transporting the discharged banknote, the banknote transporting unit includes an inverted U shaped passageway" and "a length sensor located in the U shaped passageway". None of the references disclose this newly added limitation. The Office Action asserts *Arimoto* teaches a length sensor, (Office Action, Page 3, Lines 14-15). *Arimoto*'s length sensors 53 A, B, C, D, however, are located in straight passageways and have similar construction to *Arimoto*'s sensor 24, (*Arimoto*, Column 6, Lines 17-18). *Arimoto*'s sensor 24 is also located in a straight passageway, (*Arimoto*, Figure 2). *Arimoto* thus fails to disclose an inverted U shaped passageway having a length sensor. This limitation is not disclosed by *Sagady*, *Matuura*, or *Artimoto* making claim 1 and 3 patentable over any combination of these references.

Applicant's length sensor 77 located in the U shaped passageway 40 is an important feature of the invention, (Application, Figure 3, Paragraphs 76 & 79). The U shaped passageway 40 provides a compact structure where length sensor 77 composed of first and second sensors 75 and 76 can measure the size of the banknote in a compact area.

Claims 1, 3 and 19 recite "a safe for banknotes which are piled up in a vertical direction and slanted" or recite "a storing section to retain stored banknotes at an angle inclined to the horizontal". The Office Action asserts that a safe or storing section is taught by *Matuura*, (Office Action, Page 3, Lines 4-7). *Matuura*'s shows a cash box 121 that holds banknotes (bills) in a vertical but flat position, (*Matuura*, Figure 4). A push plate 123 pushes the bills in the cash box up against a pick up roller 115, (*Matuura*, Figure 4). The bills are drawn out of the cash box by a feed roller 114, (*Matuura*, Figure 4). The cash box shown not only holds the bills in a flat vertical position but the bills must be in a flat vertical position in order for the vertically translating push plate 123 to push the bills up against the center mounted pick up roller 125 so that the horizontally mounted feed rollers 124 can extract the bills stacked on the push plate 123, (*Matuura*, Figure 4). *Matuura*, thus, not only fails to disclose or suggest applicant's recited limitation but *Matuura*'s device would be inoperative with Applicant's recited limitation making claims 1, 3 and 19 even more patentable.

[I]t is generally settled that the change in prior art device which makes the device inoperable for its intended purpose cannot be considered to be an obvious change.

*Hughes Aircraft Co. v. United States*, 215 U.S.P.Q. 787, (Ct.Cl. Trial Div. 1982)

Applicant's safe or storing section 24 oriented in a slanted position is an important feature of the invention, (Application, Figure 3). The slanted position provides the token

dispenser with a smaller width and depth allowing it to be located in the small space between gaming machines.

For the reasons stated above, Applicant submits claims 1, 3 and 19 are patentable and respectfully requests that this rejection be withdrawn.

Claims 2 and 20 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Sagady* in view of *Matuura* and further in view of *Kawasaki*.

*Kawasaki* discloses a trapezoidal bill cassette, (*Kawasaki*, Figure 1). *Kawasaki's* bill cassette, however, holds bills in a flat position and does not have a sensor in an inverted U shaped passageway.

Claims 2 and 20 depend from claims 1 and 19 respectfully and are patentable for the same reasons as claims 2 and 20. *Kawasaki* also fails to disclose the U shaped passageway with a length sensor and safe holding bills piled in a slanted direction making claims 2 and 20 patentable over *Kawasaki* as well.

Claim 4 was rejected under 35 U.S.C. § 103(a) as being unpatentable over *Sagady* in view of *Matuura* in view of *Kawasaki* and further in view of *Haney* (U.S. Pat. No. 6,682,068).

*Haney* discloses a one way clutch mechanism for recycling bills in an automated banking system. *Haney's* device, however, holds bills in a flat position.

Claim 4 recites "a banknote dispensing unit ... stores banknotes at an incline to the horizontal". Each of the banknotes in *Haney* is stored in storage areas 100 102 104 106 that are horizontal, (*Haney*, Figure 4). As explained above, inclining the banknotes is an important feature of Applicant's invention since the inclination of the banknotes provides for a more compact token dispenser in the width and depth dimensions.

Claims 5 and 6 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Sagady* in view of *Sagady*, *Matuura* and *Haney* and further in view of *Winstanley* (U.S. Pat No. 5,400,891).

*Winstanley* discloses a coin validator having an opening in the rear. *Winstanley* does not address the problem of storing banknotes in a compact area.

Claims 5 and 6 depend from claim 4 and are patentable for the same reasons as claim 4. *Winstanley* also fails to disclose storing banknotes at an incline to the horizontal making claims 5 and 6 patentable as well.

Claims 7-17 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Sagady* in view of *Matuura*, *Kawasaki*, *Haney*, *Winstanley* and further in view of *Cole* (U.S. Pat. No. 6,860,814).

*Cole* discloses a door with a cabinet for selectively opening and closing a front of a cabinet. The door is connected to the cabinet with at least one hinge.

Claims 7-17 depend from claim 4 and are patentable for the same reasons as claim 4. *Cole* also fails to disclose storing banknotes at an incline to the horizontal making claims 7-17 patentable as well.

Claim 18 was rejected under 35 U.S.C § 103(a) as being unpatentable over *Sagady* in view of *Saltsov* (U.S. Pat. No. 6,371,473).

*Saltsov* discloses a banknote validator and banknote dispenser that seeks to provide a validator that would occupy a relatively small space.

Claim 18 now recites a banknote dispensing guide having an inverted U shaped passageway and length sensor disposed in the passageway. As explained above for claim 1

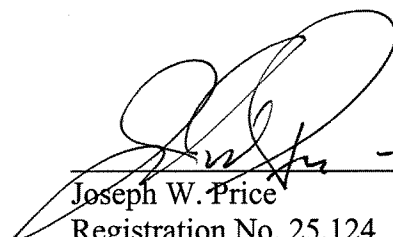
*Sagady* does not disclose this limitation. *Saltsov* also fails to disclose this limitation making claim 18 patentable over any combination of *Sagady* and *Saltsov*.

In view of the above comments, it is believed that the present application is now in condition for allowance, and an early notification of the same is requested.

If the Examiner believes that a telephone interview will help further the prosecution of this case, the undersigned attorney can be contacted in the listed phone number.

Very truly yours,

**SNELL & WILMER L.L.P.**



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